

Reissued

CHARMAINE PHILIPS FLATENBURG
Certified Public Accountant

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CLERK OF COURT
NEW ORLEANS, LA

Audited Financial Statements

of

New Orleans Affordable Homeownership, Inc.

As of and For the Year Ended

December 31, 2000

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and all other appropriate public officials. This report is available for public inspection at the main storage office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/17/02

New Orleans Affordable Homeownership, Inc.

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CHARMAINE PHILIPS PLATENBURG
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
New Orleans Affordable Homeownership, Inc.

I have audited the accompanying statement of financial position of New Orleans Affordable Homeownership, Inc. (a non-profit corporation) as of December 31, 2000 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of New Orleans Affordable Homeownership, Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Orleans Affordable Homeownership, Inc. as of December 31, 2000, and the changes in its net assets and its cash flows for the year then ended in conformity with the generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued reports dated June 27, 2001 on my consideration of New Orleans Affordable Homeownership, Inc.'s internal control structure over financial reporting and my test of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

The accompanying schedule of combined expenditures and the required OMB Circular A-133 schedule of expenditures of federal awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the audit procedures applied in the audit of the basic financial statements and in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Charmaine Philips Platenburg, CPA

New Orleans, LA
June 27, 2001
March 22, 2002 (See Note 5)

NEW ORLEANS AFFORDABLE HOUSING FINANCIAL, INC.
Statement of Financial Position
As of December 31, 2000

Assets		
Cash and Cash Equivalents	\$	48,674
Receivables		
Grants Receivable	898,710	
Due from MOHMA	<u>10,870</u>	909,580
Loans		
Notes Receivable	1,453,982	
Less: Allowance for Doubtful Accounts	<u>(440,967)</u>	997,915
Real Estate Held for Resale		309,570
Fixed Assets		
Equipment Under Capital Lease	20,813	
Less: Accumulated Depreciation	<u>(4,175)</u>	16,638
Other Assets		
Prepaid Expenses	<u>8,831</u>	<u>8,831</u>
Total Assets	\$	<u>2,534,008</u>
Liabilities & Net Assets		
Accounts Payable & Accruals	\$	614,479
Line of Credit		130,652
Payroll Taxes		32,858
Due to the City of New Orleans		<u>1,298,143</u>
Total Liabilities		<u>2,036,132</u>
Net Assets		
Unrestricted		134,783
Temporarily Restricted		<u>352,854</u>
Total Net Assets		<u>337,609</u>
Total Liabilities & Net Assets	\$	<u>2,374,000</u>

NEW ORLEANS AFFORDABLE HOUSING TRUST, INC.

Statement of Activities

For the Year Ended December 31, 2000

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues:			
Grant Appropriations	\$ -	\$ 2,080,543	\$ 2,080,543
Other Income	7,800	758,710	766,510
Net Assets released from restrictions	<u>2,070,430</u>	<u>(2,080,430)</u>	<u>-</u>
Total Revenues	2,078,230	(479,711)	2,427,507
Expenses:			
Construction	1,695,584	-	1,695,584
Cost of Properties Sold	748,483	-	748,483
Salaries	164,354	-	164,354
Professional Fees - Accounting & Legal	181,800	-	181,800
Subscriptions	65,482	-	65,482
Postage & Other Supplies	21,744	-	21,744
Interest Expense	22,460	-	22,460
Insurance	21,769	-	21,769
Capital Outlay	21,403	-	21,403
Payroll Taxes	17,498	-	17,498
Staff Training	17,389	-	17,389
Advertising	12,781	-	12,781
Video Costs	11,250	-	11,250
Security Services	8,345	-	8,345
Travel & Conferences	7,800	-	7,800
Fringe Benefits	6,846	-	6,846
Depreciation Expense	4,025	-	4,025
Telephone	4,308	-	4,308
Acquisition/Relocation/Maintenance	3,365	-	3,365
Utilities	2,447	-	2,447
Printing & Reproduction	1,218	-	1,218
Commissions - Art Sales	349	-	349
Other Costs	<u>14,800</u>	<u>-</u>	<u>14,800</u>
Total Expenses	2,973,775	-	2,973,775
Decrease in Net Assets	(70,545)	(479,711)	(550,256)
Net Assets transferred to another non-profit	-	(659,694)	(659,694)
Net Assets, Beginning Balance	207,503	1,528,248	1,735,751
Net Assets, Ending Balance	\$ 136,958	\$ 182,854	\$ 319,812

NEW ORLEANS AFFORDABLE HOUSING TRUST, INC.
Statement of Cash Flows
For the Year Ended December 31, 2009

Cash Flows from Operating Activities:		
Decrease in Net Assets	3	(100,700)
Adjustments to reconcile decrease net assets to net cash provided by operating activities:		
Depreciation Expense		4,123
Decrease in Grants Receivable		43,892
Decrease in Other Receivables		9,333
Increase in Prepaid Expenses		(6,621)
Increase in Accounts Payable & Accrued Liabilities		159,673
Net Cash Used in Operations		<u>(100,003)</u>
Cash Flows from Investing Activities:		
Sale of Real Estate Held for Sale		333,566
Deposits Received		<u>34,000</u>
Net Cash Provided by Investing Activities		<u>367,566</u>
Cash Flows from Financing Activities:		
Payment on Notes Payable, net of allowances		(74,494)
Withdrawals on Line of Credit, net of payments		136
Payments on Capital Lease of Equipment		(31,621)
Principal Payments on Notes Receivable		<u>119,084</u>
Net Cash Provided by Financing Activities		<u>33,105</u>
Net Increase in Cash and Cash Equivalents		<u>77,273</u>
Cash and Cash Equivalents at Beginning of Year		<u>(3,421)</u>
Cash and Cash Equivalents at End of Year	5	<u><u>73,852</u></u>

Note 4(b) Interest paid on financing activities in 2009 totaled \$21,663 from line of credit and long term notes payable to local financial institutions.

NOTES TO THE FINANCIAL STATEMENTS
New Orleans Affordable Homeownership, Inc.
December 31, 2000

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements is as follows:

Nature of Activities

New Orleans Affordable Homeownership, Inc. is a nonprofit corporation organized under the laws of the State of Louisiana. The corporation is organized to provide home ownership opportunities to low and moderate persons who otherwise could not afford to buy a home; increase the number of safe, decent and sanitary housing units in the City of New Orleans; create meaningful activities for youths at risk; and in general, improve the quality of life, housing conditions and work opportunities for residents of the City of New Orleans.

The corporation is supported primarily through government grants. Accordingly, 87% of the corporation's support for the year ended December 31, 2000 came from government grants.

Financial Statement Presentation

The financial statements are presented in accordance with requirements established by the Financial Accounting Standards Board (FASB) as set forth in the Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-For-Profit Organizations". This statement requires reporting the Organization's financial position and activities according to three classes of net assets: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets. There are no permanently restricted net assets.

Revenue Recognition

Contributed support is reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activity as "net assets released from restrictions".

Grants Receivable

The Organization considers grants receivable to be fully collectible since the balance consists principally of payments due under governmental contracts.

NOTES TO THE FINANCIAL STATEMENTS
New Orleans Affordable Homeownership, Inc.
December 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Loans

Loans are stated at the amount of unpaid principal, reduced by an allowance for loan losses. Interest on loans is calculated by using the simple interest method on daily balances of the principal amount outstanding.

New Orleans Home Mortgage Authority reviews the Organization's loan portfolio to determine the existence of and extent of which loans are subject to special consideration as to any doubt regarding their collectibility. All noncurrent loans are considered to be impaired in accordance with SFAS No. 114, "Accounting by Creditors for Impairment of a Loan." When, in management's judgment, a loan is determined to be of doubtful collectibility, the loan is charged to the Reserve for Loan Losses, subject to approval from the funding source, if applicable.

Accrual of interest is discontinued on a loan when management believes, after considering economic and business conditions and collection efforts that the borrower's financial condition is such that collection of interest is doubtful.

Provision and Reserve for Loan Losses

The reserve for possible loan losses is maintained to provide for possible losses inherent in the loan portfolio. On January 1, 1999, the corporation adopted SFAS No. 114, as amended by SFAS No. 118 "Accounting by Creditors for Impairment of a Loan – Income Recognition and Disclosures." In accordance with SFAS No. 114, the 1999 reserve for possible loan losses related to loans that are identified as impaired is based upon discounted cash flows using the loan's initial effective interest rate or the fair value of the collateral.

Management determines the appropriate level of reserve to be maintained based on an analysis of the portfolio and evaluation of economic factors. Provision for loan losses is recognized by a reduction of monies due to the funding source depending on the source of the loan proceeds. However, because such factors as loan growth, the future collectibility of all loans and the amounts and timing of future cash flows expected to be received on impaired loans are uncertain, the level of future provisions generally cannot be predicted.

NOTES TO THE FINANCIAL STATEMENTS
New Orleans Affordable Homeownership, Inc.
December 31, 2000

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Real Estate Held for Resale

Real Estate Held for Resale is carried at cost not to exceed its estimate of net realizable value, which is determined on an individual project basis. The real estate has been acquired to be subleased in accordance with government contracts and sold to qualified program participants.

Cash and Cash Equivalents

The Organization considers all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements and accompanying notes. Accordingly, actual results could differ from these estimates.

Building and Improvements

It is the Organization's policy to capitalize buildings and building improvements over \$5,000. Lower amounts are expensed. New Orleans Affordable Homeownership, Inc. records property acquisitions at cost. Donated assets are recorded at their estimated fair value at date of donation. Such donations are reported as unrestricted contributions unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted contributions. The Organization reports expirations of donor restrictions when the donated assets are placed in service as instructed by the donor. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets.

Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized when the acquisition cost exceeds \$5,000. When items of property are sold or retired, the related cost and accumulated depreciation are removed from the accounts and gain or loss is included in the changes in net assets.

NOTES TO THE FINANCIAL STATEMENTS
New Orleans Affordable Homeownership, Inc.
December 31, 2000

NOTE B - GRANT RECEIVABLE

Grant receivable at December 31, 2000 consists of the following:

City of New Orleans-Division of Housing and Neighborhood Development	\$800,700
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NOTE C - RESERVE FOR LOAN LOSSES

A summary of the activity in the Reserve for Loan Losses for the year ended December 31, 2000 follows:

Balance at beginning of year	\$ 729,480
Provisions charged to funding source	<u>139,267</u>
Balance as of December 31, 2000	<u>\$ 868,747</u>

NOTE D - NOTES RECEIVABLE

Notes receivable consist of several mortgage loans to qualified program participants. The loans are serviced by New Orleans Home Mortgage Authority. As of December 31, 2000 the principal balance of such loans totaled \$1,497,951. Interest income earned during the year was \$46,329.

NOTE E - FIXED ASSETS

Fixed assets at December 31, 2000 consists of the following:

Equipment Under Capital Lease	\$ 20,613
Less accumulated depreciation	<u>64,123</u>
	<u>\$ 43,490</u>

Depreciation expenses for the year ended December 31, 2000 totaled \$4,123.

NOTES TO THE FINANCIAL STATEMENTS
New Orleans Affordable Homeownership, Inc.
December 31, 2000

NOTE F – DUE TO CITY OF NEW ORLEANS

The amount due to the City of New Orleans as of December 31, 2000 consists of mortgage loans, net of the reserve for possible loan losses, and accrued interest and fees.

NOTE G- INCOME TAXES

The New Orleans Affordable Homeownership, Inc. is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE H – DUE FROM NOHMA

As stated in Note D, New Orleans Home Mortgage Authority (NOHMA) service loans made to qualified participants. This includes collecting and processing the payments made by such participants. After service fees are deducted from the payments, the balance of the payments is forwarded to New Orleans Affordable Homeownership, Inc. As of December 31, 2000 the amount due from NOHMA was \$10,870.

NOTE I – BOARD OF DIRECTORS COMPENSATION

The board of directors is a voluntary board; therefore, no compensation was paid to any board members during the year ended December 31, 2000.

NOTE J – SIGNIFICANT CONCENTRATION

The Organization receives a majority of its revenues from funds provided through grants administered by the City of New Orleans. The grant amounts are appropriated each year by the federal and local governments. If significant budget cuts are made at the federal and/or local level, the amount of the funds the Organization receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Organization will receive in the next fiscal year.

NOTE K – LINE OF CREDIT

The Organization established an unsecured line of credit with a local financial institution in the amount of \$300,000 with an original interest rate of 8.5% to be drawn as needed. As of December 31, 2000, the outstanding balance of the line of credit was \$130,952. Interest paid during the year ended December 31, 2000 was \$22,443.

NOTES TO THE FINANCIAL STATEMENTS
New Orleans Affordable Homeownership, Inc.
December 31, 2000

NOTE L – CONTRIBUTIONS AND DONATIONS

The Organization received funds from various contributors. The additional funds were classified as unrestricted and were used for administrative items for the Organization.

NOTE M – PREPAID EXPENSE

As of December 31, 2000, the Organization's prepaid expense consisted of the payment of an operating lease for an automobile that expires over the next sixteen months in the amount of \$8,831. The prepaid expense will be amortized on a monthly basis.

NOTE N – ADVERTISING

The Organization uses advertising to raise public awareness of the various services offered to qualified participants. The cost of advertising is expensed when incurred. Advertising costs totaled \$12,591 during the year.

NOTE O – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted assets are available for the following purposes:

Property Held for Resale to Program Participants	\$ 182,854
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The donor's restrictions will be satisfied once the properties are sold to eligible participants. The net assets will be transferred from temporarily restricted to unrestricted.

NOTE P – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

Project Mu-Com	\$ 1,129,080
Project Mu-Roof	853,375
Special Purpose (SP-NOAH)	701,896
Mayer's Challenge Fund	156,280
YouthBuild	59,641
Treme Arts Development Center	88,830
Programmatic Income	<u>311,181</u>
Total restrictions released	<u>\$2,890,428</u>

NOTES TO THE FINANCIAL STATEMENTS
New Orleans Affordable Homeownership, Inc.
December 31, 2000

NOTE Q - PROPERTIES HELD FOR RESALE

The Organization purchases and resellses (sells) property with funds from their Special Purpose Grant and Meyer's Challenge Fund. The properties are later sold to qualified participants that are approved by the City of New Orleans' Department of Neighborhood and Housing Development. All costs associated with the purchase and renovation of such properties are capitalized until the properties are sold to participants. Properties held for resale are classified as Temporarily Restricted Net Assets until donor restrictions are satisfied by the Organization.

NOTE R - NONMONETARY TRANSACTIONS OTHER THAN CONTRIBUTIONS

During the year ended December 31, 2000, the Trimm' Arts Development Center ceased operating as a component of New Orleans Affordable Homeownership, Inc. Trimm' Arts Development Center is operating as separate entity. The net assets associated with Trimm' Arts Development Center totaled \$159,684 and were transferred from New Orleans Affordable Homeownership, Inc. There were no related gains or loss recognized with this transaction.

NOTE S - EVENTS DISCOVERED AFTER COMPLETION OF FIELD WORK

Properties were sold to qualified participants. The funds from the sales were deposited directly into the local financial institution that services the loan payable to the City of New Orleans. Based upon information that came to my attention after the issuance of the audit report, it was determined that this transaction was not properly recorded in the financial statements as of December 31, 2000. An adjustment has been made to all relevant accounts to reflect their correct balances as of December 31, 2000. My opinion regarding the financial statements as of and for the year ended December 31, 2000 remains unqualified.

SUPPLEMENTAL INFORMATION

NEW ORLEANS AFFORDABLE HOMEOWNERSHIP, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2006

PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH EXCISE NUMBER	EXPENDITURES
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through the City of New Orleans			
Community Development Block Grant Program Entitlement Grants			
Project Mu-Cast	14.208	CD-800-080(99)	\$ 1,279,948
Project Mu-Road	14.208	CD-800-080(99)	816,353
SP-MC1411, SPQ-138	14.208	SP - 7393	651,300
Mayor's Challenge Fund	14.208	CD-800-058(99)	145,615
Texas Arts Development Center	14.208	CD-810-090(99)	41,460
HOPOO, Youthbuild	14.208	CD-800-068(96)	<u>30,400</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			\$2,723,676
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$2,723,676

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

- The Schedule of Federal Awards was prepared on the accrual basis of accounting.

NEW ORLEANS OFFSHORE RECREATION, INC.
Condensed Statement of Expenditures
For the Year Ended December 31, 2009

	YOUTHFIELD	SAVOYCH CHALLENGE	TRUSSARDI NYC CENTER	SP-0001 NYC-001
Subsides & Foreign Benefits				
Subsides	-	-	31,886	-
Payroll Taxes	-	-	1,499	-
Foreign Benefits	-	-	811	-
Total Income & Foreign	-	-	34,196	-
Other Operating Expenses				
Commissions	-	4,100	3,000	1,519
Cost of Production/Field	56,641	-	-	688,630
Professional Fees - Accounting & Legal	-	-	-	-
Scholarships	-	-	-	66,462
Depreciation Expenses	-	-	-	-
Video Costs	11,256	-	-	-
Capital Outlay	-	-	-	-
Security Services	-	-	2,680	583
Insurance	1,107	-	-	18,641
Advertising	-	-	-	662
Utilities	-	-	882	1,288
Amplification/Related/Insurance/Maintenance	-	-	2,128	894
Interest Expenses	3,375	-	-	18,311
Rents & Other Supplies	4,167	-	-	-
Telephone	-	-	1,000	-
Printing & Reproduction	-	-	499	-
Staff Training	-	-	-	-
Tourist & Commission	-	-	28	-
Commissions - Ad Sales	-	-	-	-
Other Costs	-	-	1,704	-
Total Operating Expenses	80,009	4,100	10,676	802,700
Total Expenses	80,009	4,100	41,872	802,700
Reconciliation of Expenditures of Federal Awards				
Total Expenses	80,009	4,100	41,872	802,700
Property Acquisition & Capital Improvements Adjustment	(28,791)	-	-	(28,791)
Total Federal Expenditures	51,218	4,100	41,872	773,909

See Accompanying Auditor's Report and Notes

VIEW-BELLEVUE AFFORDABLE HOUSING DEVELOPERS, INC.
Condensed Statement of Expenses
For the Year Ended December 31, 2008

	PROPERTY ST-COUNTY PRIST	PROPERTY ST - BUCKLE	PROGRAM FOOTBALL	MANAGEMENT & GENERAL	TOTAL
Salaries & Fringe Benefits					
Salaries	\$0,394	14,141	0,000	-	14,535
Profit/ Loss	1,000	5,250	3,600	-	9,850
Fringe Benefits	1,380	1,600	200	-	3,180
Total Salaries & Fringe	2,774	20,991	3,800	-	27,565
Other Operating Expenses					
Commuters	1,140,485	403,805	-	-	1,544,290
Cost of Properties Sold	-	-	-	-	-
Professional Fees - Accounting & Legal	9,480	9,480	82,440	-	101,400
Administrations	-	-	-	-	-
Depreciation Expense	-	-	-	4,320	4,320
Video Costs	-	-	-	-	-
Capital Outlay	1,000	8,820	8,880	-	19,700
Security Services	-	-	-	-	-
Insurance	-	-	2,480	-	2,480
Advertising	-	3,480	3,480	-	6,960
Utilities	-	-	-	-	-
Acquisition/ Administration/ Maintenance	-	-	70	-	70
Interest Expense	2,200	-	-	-	2,200
Fuel & Other Supplies	22,270	1,216	120	-	23,606
Telephone	-	-	2,880	-	2,880
Printing & Reproduction	-	-	780	-	780
Staff Training	-	3,180	2,880	2,600	8,660
Taxes & Commissions	300	290	1,200	-	1,790
Commissions - Art Sales	-	-	-	340	340
Other Costs	4,800	1,100	8,100	150	14,150
Total Other Operating Expense	1,184,255	205,511	102,520	10,720	1,494,406
Total Expense	1,274,485	416,501	105,320	10,720	1,807,026
Reconciliation of Expenses of					
Budgetary Items:					
Total Expense	1,274,485	416,501	-	-	1,690,986
Property Acquisition & Capital Improvements	-	-	-	-	-
Adjustment	-	-	-	-	-
Total Pristors Expenses	1,274,485	416,501	-	-	1,690,986

See Accompanying Exhibit's Report and Notes.

CHARMAINE PHILIPS PLATENBURG
Certified Public Accountant

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING
STANDARDS**

To the Board of Directors of
New Orleans Affordable Homeownership, Inc.

I have audited the financial statements of New Orleans Affordable Homeownership, Inc. (a non-profit corporation) as of and for the year ended December 31, 2000, and have issued my report thereon dated June 27, 2001. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether New Orleans Affordable Homeownership, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance that is reported under *Governmental Auditing Standards* and which are described in the accompanying schedule of Findings and Questioned Costs as item 80-1.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered New Orleans Affordable Homeownership, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted a certain matter involving the internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect New Orleans Affordable Homeownership Inc.'s ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts

that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by the employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I considered the reportable condition described above as item 00-1 to be a material weakness.

This report is intended solely for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Charmaine Phillips Placaburg, CPA

Charmaine Phillips Placaburg, CPA

New Orleans, LA

June 27, 2001

March 22, 2002 (See Note 5)

CHARMAINE PHILIPS PLATENBURG
Certified Public Accountant

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
STRUCTURE OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors of
New Orleans Affordable Homeownership, Inc.

Compliance

I have audited the compliance of New Orleans Affordable Homeownership, Inc. with the types of compliance requirements described in the "U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the fiscal year ended December 31, 2009. New Orleans Affordable Homeownership, Inc. major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements, laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of New Orleans Affordable Homeownership, Inc.'s management. My responsibility is to express an opinion on the Organization's compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, "Audit of States, Local Governments, and Non-Profit Organizations." These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about New Orleans Affordable Homeownership, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of New Orleans Affordable Homeownership, Inc.'s compliance with those requirements.

As described in item GO-1 in the accompanying schedule of findings and questioned costs, New Orleans Affordable Homeownership, Inc. did not comply with the requirements regarding Record Retention that is applicable to its major federal programs titled "No-Cost" and "No-Rent". Compliance with such requirements is necessary, in my opinion, for the Organization to comply with requirements applicable to that program.

In my opinion, except for the noncompliance described in the preceding paragraph, New Orleans Affordable Homeownership, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the fiscal year ended December 31, 2009.

Internal Control Over Compliance

The management of New Orleans Affordable Homeownership, Inc. is responsible for establishing and maintaining effective internal control over compliance with laws, regulations, contracts, and grants applicable to federal award programs. In planning and performing my audit, I considered New Orleans Affordable Homeownership, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

I noted certain matters involving the internal control over compliance and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in my judgment, could adversely affect New Orleans Affordable Homeownership, Inc.'s ability to administer a federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. The reportable conditions are described in the accompanying schedule of findings and questioned costs as item 83-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I considered the reportable condition described above as 83-1 to be material a weakness.

I also noted other matters involving the internal control structure and its operation that I have reported to management of the Organization in a separate letter dated June 27, 2008.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record, and its distribution is not limited.



Charmaine Phillips Platenberg, CPA

New Orleans, LA

June 27, 2008

March 22, 2002 (See Note 5)

CHARMAINE PHILIPS PLATENBURG
Certified Public Accountant

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING
STANDARDS**

To the Board of Directors of
New Orleans Affordable Homeownership, Inc.

I have audited the financial statements of New Orleans Affordable Homeownership, Inc. (a non-profit corporation) as of and for the year ended December 31, 2000, and have issued my report thereon dated June 27, 2001. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether New Orleans Affordable Homeownership, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of Findings and Questioned Costs as item 80-1.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered New Orleans Affordable Homeownership, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted no matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect New Orleans Affordable Homeownership Inc.'s ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

This report is intended solely for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Revised Page 1 - Title page

Charismatic Philips Plateauburg, CPA

New Orleans, LA

June 27, 2008

March 22, 2002 (See Note 5)

CHARMAINE PHILIPS PLATENBURG
Certified Public Accountant

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
STRUCTURE OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors of
New Orleans Affordable Homeownership, Inc.

Compliance

I have audited the compliance of New Orleans Affordable Homeownership, Inc. with the types of compliance requirements described in the "U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the fiscal year ended December 31, 2000. New Orleans Affordable Homeownership, Inc. major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements, laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of New Orleans Affordable Homeownership, Inc.'s management. My responsibility is to express an opinion on the Organization's compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about New Orleans Affordable Homeownership, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of New Orleans Affordable Homeownership, Inc.'s compliance with those requirements.

As described in item 60-1 in the accompanying schedule of findings and questioned costs, New Orleans Affordable Homeownership, Inc. did not comply with the requirements regarding Record Retention that is applicable to its major federal programs titled "No-Cost" and "No-Rent". Compliance with such requirements is necessary, in my opinion, for the Organization to comply with requirements applicable to that program.

In my opinion, except for the noncompliance described in the preceding paragraph, New Orleans Affordable Homeownership, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the fiscal year ended December 31, 2000.

Internal Control Over Compliance

The management of New Orleans Affordable Homeownership, Inc. is responsible for establishing and maintaining effective internal control over compliance with laws, regulations, contracts, and grants applicable to federal award programs. In planning and performing my audit, I considered New Orleans Affordable Homeownership, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in my judgment, would adversely affect New Orleans Affordable Homeownership, Inc.'s ability to administer a federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

I noted other matters involving the internal control structure and its operation that I have reported to management of the Organization in a separate letter dated June 23, 2001.

This report is intended for the information of the audit committee, management, and Federal awarding agencies and pass-through entities. However, this report is a matter of public record, and its distribution is not limited.



Charmaine Philips Platenberg, CPA

New Orleans, LA

June 23, 2001

March 23, 2002 (See Note 8)

NEW ORLEANS AFFORDABLE HOMEOWNERSHIP, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 2000

A. SUMMARY OF AUDIT RESULTS

1. An unqualified opinion was issued on the financial statements of the auditee.
2. No reportable conditions in internal control were disclosed by the audit of the financial statements.
3. The audit disclosed an instance of noncompliance. The instance was deemed to be material to the financial statements of the auditee.
4. No reportable conditions in internal control over major programs were disclosed by the audit that was deemed to be a material weakness.
5. A qualified opinion was issued on compliance for major programs.
6. The audit findings required to be reported under Section 510(a) of Circular A-133 are reported in Part B of this schedule.
7. The major programs for the year ended December 31, 2000 consists of the following cluster of programs:

Project No-Cost	CFDA No. 14.218
SP-MQ488, SPG-133	CFDA No. 14.218
Tremie' Arts Development	CFDA No. 14.218
HSHQ, Tremieville	CFDA No. 14.218
Project No-Road	CFDA No. 14.218
8. The dollar threshold to distinguish between Type A and Type B programs was \$300,000.
9. The auditee did not qualify as a low-risk auditee.

NEW ORLEANS AFFORDABLE HOMEOWNERSHIP, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS-CONTINUED

For the year ended December 31, 2000

B. FINANCES-FINANCIAL STATEMENTS AUDIT

Compliance

60-1 Retention of Records

Statement of Condition:

The Organization failed to maintain copies of invoices for some of the expenditures charged to No-Cost and No-Rent Programs for the year ended December 31, 2000.

Citation:

In accordance with the agreement between the City of New Orleans and New Orleans Affordable Homeownership, Inc., the Organization is required to maintain all source documents as required by the City of New Orleans and the Federal government.

Effect of Condition:

The Organization failed to comply with the retention and custodial of records requirement as set forth in the grant agreement with the City of New Orleans.

Questioned Costs:

None. Invoices must be submitted with the cost control statement. The City of New Orleans' fiscal monitor reviews the invoices before reimbursements are made to the Organization.

Cause of Condition:

The Organization failed to preserve all of the requested invoices.

Recommendation:

The Organization should implement procedures to insure that all necessary source documents are properly maintained.

Response:

See corrective action plan.

NEW ORLEANS AFFORDABLE HOMEOWNERSHIP, INC.

STATUS OF PRIOR YEAR FINDINGS

For the year ended December 31, 2009

	<u>Reportable Conditions</u>	<u>Resolved</u>	<u>Unresolved</u>	<u>Current Findings</u>
1.	Record Retention		X	00-1